PHILIP MORRIS U.S.A. INTEROFFICE CORRESPONDENCE

120 PARK AVENUE, NEW YORK, NY 10017

TO: DISTRIBUTION DATE: OCTOBER 8, 1990

FROM: A. GOLDFARB/J. GREENE

SUBJECT: CAMBRIDGE REGIONAL PACK PROMOTION: MARCH 1991

The following provides you with the details of the Cambridge March pack promotion (Breakfast Club).

OVERVIEW/OBJECTIVES

A key Cambridge objective during 1991 is to reduce the share gap with Doral. Ten sections have been identified as having disproportionate gaps. This promotion is the first of three scheduled 1991 pack promotions that are incremental to the national plan.

STRATEGY

A 2-pack promotion has been designed to further generate product trial and achieve purchase continuity through repeat offers. A retailer benefit has been established through cross-promoting with related store items and the ability to generate repeat purchase.

Sections targeted have a Doral share gap of approximately 2.0 points or greater. These include sections 22-26, 31, 32, 36, 42 & 45. Breakfast Club promotion placement strategies target pack outlets, primarily 'C'-stores.

PROGRAM DETAILS

- Consumer Offer: Consumers will receive an instant $1.25 savings off Breakfast related items with the purchase of 2-packs. Three (3) additional coupons will be delivered in pack to induce repeat Brand purchase. Follow-up offers will be for $1.00 off of 2-packs of Cambridge.

- Product: All deals will be preassembled in Richmond with a sleeve announcing the consumer offer. The sleeve will contain a coupon for instant gratification of the offer against product purchased. Follow-up offers will be inserted by Richmond, between packs, requiring no additional Field assembly. Section product allocations are attached.

2042814073

Source: https://www.industrydocuments.ucsf.edu/docs/lycy0004

- Displays/POS: Section allocations of displays have been provided. Both 20 & 50 deal displays will be utilized for this promotion, with average S/R allocation equating to 20-20 Deal & 5-50 Deal displays each. A compliment of temporary POS will be provided. Display allocations cover 80% of promotional product, allowing for back-up deals to be left in select accounts.

*All promotional product should be sold off of temporary displays or CPP displays. Placement on BV's or AV pack toppers is not permissible.

- Display Payments: The following provides you with authorized display payments.

  -20 Deal: $2
  -50 Deal: $5

- Wholesaler Allowance: A Distributor handling allowance of $.10/carton has been authorized for this promotion.

- Terms: 30 days dating should be given on all promotional product shipped to the Trade.

- Ordering: Product orders should be placed with D. Smith no later than February 1. Displays/POS materials should be ordered, through Midas, by January 30.

Should you have any questions, please call.

2042814074

Source: https://www.industrydocuments.ucsf.edu/docs/lycy0004

CAMBRIDGE
BREAKFAST CLUB PROMOTION
MATERIALS TIMETABLE

| | A & K DUE | DUE KDC | DUE FIELD |
|---|---|---|---|
| Sell Sheets | 10/29 | 12/16 | 12/31 |
| Displays/POS | 11/12 | 02/04 | 02/18 |
| 2-Pack Sleeve | 11/01 | | |
| In-pack offer | 11/01 | | |

2042814075

Source: https://www.industrydocuments.ucsf.edu/docs/lycy0004

CAMBRIDGE
BREAKFAST CLUB PROMOTION
MATERIALS LISTING

| ITEM | POS# |
|---|---|
| Sell Sheet | 49662 |
| 20 Deal Display | 49663 |
| 50 Deal Display | 49664 |
| 2-Pack Sleeve (Kings) | 49665 |
| 2-Pack Sleeve (100's) | 49666 |
| In-pack offer | 49667 |
| Large Poster | 49668 |
| Shelf Talker (Large) | 49669 |
| 20 Deal Kit | 49670 |
| 50 Deal Kit | 49671 |

2042814076

Source: https://www.industrydocuments.ucsf.edu/docs/lycy0004

CAMBRIDGE
BREAKFAST CLUB PROMOTION
PRODUCT ALLOCATION

| | 6M CASES | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| SECTION | FF KINGS | FF 100'S | LTS KINGS | LTS 100'S | LTS MEN | LTS MEN 100'S | ULTRA LTS 100'S | TOTAL |
| 22 | 38 | 51 | 51 | 73 | 23 | 30 | 51 | 319 |
| 23 | 53 | 71 | 71 | 102 | 30 | 45 | 71 | 443 |
| 24 | 60 | 79 | 79 | 114 | 40 | 45 | 79 | 496 |
| 25 | 44 | 59 | 59 | 84 | 25 | 36 | 59 | 367 |
| 26 | 59 | 79 | 79 | 114 | 33 | 50 | 79 | 495 |
| 31 | 45 | 60 | 60 | 86 | 25 | 39 | 60 | 373 |
| 32 | 47 | 63 | 63 | 91 | 30 | 37 | 63 | 394 |
| 36 | 57 | 76 | 76 | 109 | 30 | 51 | 76 | 475 |
| 42 | 42 | 56 | 56 | 81 | 25 | 35 | 56 | 350 |
| 45 | 43 | 57 | 57 | 82 | 25 | 36 | 57 | 355 |
| TOTAL | 488 | 651 | 651 | 936 | 286 | 404 | 651 | 4067 |

2042814077

Source: https://www.industrydocuments.ucsf.edu/docs/lycy0004

CAMBRIDGE
BREAKFAST CLUB PROMOTION
DISPLAY ALLOCATION

| | DISPLAYS | | |
|---|---|---|---|
| SECTION | 20 DEAL* | 50 DEAL** | TOTAL |
| 22 | 1180 | 295 | 1475 |
| 23 | 1640 | 410 | 2050 |
| 24 | 1840 | 460 | 2300 |
| 25 | 1360 | 340 | 1700 |
| 26 | 1840 | 460 | 2300 |
| 31 | 1380 | 345 | 1725 |
| 32 | 1460 | 365 | 1825 |
| 36 | 1760 | 440 | 2200 |
| 42 | 1300 | 325 | 1625 |
| 45 | 1320 | 330 | 1650 |
| TOTAL | 15080 | 3770 | 18850 |

* P/F: 10
**P/F: 5

2042814078

Source: https://www.industrydocuments.ucsf.edu/docs/lycy0004